DOCUMENT RESUME

ED 312 543 CG 022 040

TITLE	A Consumer's Guide to Accessory Apartments.
INSTITUTION	American Association of Retired Persons, Washington, DC. Consumer Housing Information Service for Seniors.
SPONS AGENCY	Administration on Aging (DHHS), Washington, D.C.
PUB DATE	87
NOTE	23p.; For related documents, see CG 022 037-041.
AVAILABLE FROM	American Association of Retired Persons, 1909 K Street, N.W., Washington, DC 20049 (Free).
PUB TYPE	Guides - General (050)
EDRS PRICE	MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS	*Consumer Education; Family Life; *Housing; Housing Needs; Landlords; *Older Adults
IDENTIFIERS	*Accessory Apartments

ABSTRACT

This is one of a series of booklets prepared as a resource for the American Association of Retired Persons' (AARP) Consumer Housing Information Service for Seniors, a local AARP volunteer program that uses trained Housing Information Volunteers to provide impartial information to older people who have questions of concern about how to find safe, comfortable, affordable housing; how to cut household expenses or use their homes to earn extra income; home maintenance and home improvement; tenants' rights; and local housing subsidy or in-home assistance programs. This booklet provides an overview of accessory apartments, describing the advantages and disadvantages of accessory apartments and steps necessary to create an accessory apartment in one's home. An accessory apartment is described as a complete, self-contained living unit created within an existing single-family home. Financial considerations related to creating an accessory apartment are discussed and the impact of rental income is explained. Other issues considered are apartment design, zoning, getting a special use permit, finding a contractor, renting the accessory apartment, and community considerations. A Model Accessory Apartment Ordinance for Single Family Conversions and a sample lease agreement are appended. (NB)

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A Consumer's Guide to Accessory Apartments

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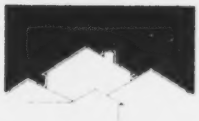

Foreword

This is one of a series of booklets prepared as a resource for AARP's Consumer Housing Information Service for Seniors (CHISS).

CHISS is a local AARP volunteer program that uses trained Housing Information Volunteers (HIVs) to provide impartial information to older people who have questions or concerns about:

- how to find safe, comfortable, affordable housing;
- how to cut household expenses or use their homes to earn extra income;
- home maintenance and home improvement;
- tenants' rights; and
- local housing subsidy or in-home assistance programs.

Each resource booklet provides an overview of a housing option, resource or service and identifies types of local government agencies and community groups that offer additional assistance. The booklets will help you reflect on your living arrangement and answer such questions as:

- Will my home be a suitable place for me to live as I grow older?
- Will I be able to afford the cost of living in my home as the years go by, recognizing that housing costs are likely to rise?
- How do I feel about assuming the responsibilities of a landlord, and reducing available living space in exchange for knowing that someone is living in close proximity and that I am receiving rental income?

For most people, home is a place where they feel comfortable, secure and surrounded by pleasant memories. It is easy to take your home for granted and postpone planning and preparation for later years. AARP hopes that these booklets will help you and other older consumers, both homeowners and renters, to think about your future needs, plan wisely and take the necessary steps to ensure that your homes continue to be comfortable, safe and appropriate during your later years.

Developed with support from the Administration on Aging,
U.S. Department of Health and Human Services

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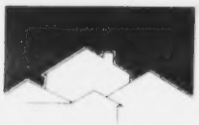

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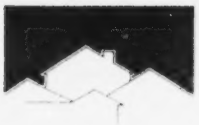
Introduction

Recent demographic changes affecting housing have included a decline in family size and an increasing number of households headed by older persons.

Recent studies have shown that 53 percent of homes with five rooms or more are occupied by persons age 65 and older, usually in households of one or two persons. Because many of these older homeowners are on fixed incomes, they are having trouble keeping pace with the increasing costs of maintenance, utilities and repairs on their homes.

For many who have more space than they need, renting out rooms or creating an accessory apartment can help defray these increasing costs and burdens. As more people become aware of these options, interest in the creation of accessory apartments within single families has grown dramatically. This booklet is designed to describe the advantages and disadvantages of accessory apartments and steps necessary to create one in your home.



What Is an Accessory Apartment?

An accessory apartment is a complete, self-contained living unit created within an existing single-family home. It has its own kitchen, bath, living area, sleeping area and usually a separate entrance. Communities use a variety of terms to describe the concept of accessory apartments: accessory dwelling units, single-family conversions, mother-in-law apartments, mother-daughter homes, secondary residences and others. All of these terms refer to an independent unit that shares, at most, an entrance, a yard and parking with the primary unit. Accessory apartments have existed for decades in many communities, both legally and illegally.

Benefits of Accessory Apartments

For homeowners, accessory apartments represent a logical source of extra income to help them cope with rising living expenses. For older homeowners in particular, adding an accessory apartment may be the only alternative to moving to an unfamiliar and less desirable neighborhood. Apartment tenants provide not only a source of additional income, but they often can provide personal services such as yard maintenance or shopping assistance in return for lower rent. Tenants can also be a source of companionship and security from fear of criminal intrusion and personal accidents. In certain situations, tenants may provide simple long-term care assistance, such as homemaker services or assistance with grooming or meal preparation.

Financial Considerations

If you decide to convert part of your home into an accessory apartment, your biggest financial barrier will be obtaining the funds to finance the initial construction or rehabilitation costs — despite the fact that some of these costs will be recovered by your rental income. Converting a walk-out basement, a recreation room or an upstairs area into an accessory apartment could cost anywhere from $10,000 to $20,000 or more, depending on the design of your home, the scope of your project, current construction costs and standards in your community.

Obviously, the cost of installing an accessory apartment varies greatly from one house to another. Generally, the costliest additions are a bathroom or kitchen. Once you've hired a contractor, it's often less expensive to take care of several jobs at once. Over time, additional expenses will include financing, advertising for tenants, maintenance, cleaning, additional utilities, insurance, and taxes. Remember, however, that the initial investment in remodeling can be made more economical if the apartment installation is combined with other work that may be needed on the house.

Some communities have developed loan programs that provide low-interest loans to homeowners to make changes in their homes. Government-sponsored loans or deferred payment plans are usually the least expensive form of financing. But they are generally limited to covering the costs of major repairs or alterations to homes, often to make a home meet local building codes. Your local Housing Authority, Community Development Agency or Office on Aging can provide information about these programs and can advise whether or not they'll cover changes involved with creating an accessory apartment.

The Community Development Agency may also know where to inquire about commercial home improvement loans. The longer the term of the loan, the lower the monthly payments will be. Interest rates and terms may vary among leading institutions, so it's important to call several banks.

Adding an accessory apartment will improve your property and will probably increase the market value of your home. However, the increased value of your home is likely to bring a slight increase in your property tax. A recent study of townships with accessory apartments indicated an average increase of $24.00 in property taxes per year.[1]

Impact of Rental Income

While the rental income you receive from your accessory unit may substantially benefit your ability to meet your daily living expenses, you should be aware of several related issues.

The income from your rental payments is taxable. It may affect your eligibility for public benefit programs such as SSI or Medicaid. If you received these benefits, your increased income may put you above the asset limits for these programs. However, there are several tax advantages to managing rental property, including depreciation of the property and deduction of the maintenance costs associated with your rental unit. For this reason, you should keep accurate records of your income, expenses, remodeling and maintenance costs. See your accountant or attorney for advice on tax and other matters.

[1] "Are Property Values and Taxes Affected by the Home Conversion?" Calvan, Rita. *Realtor Magazine*. Washington Area Board of Realtors, November 1984.

Apartment Design

The apartment design will be determined by the amount you can afford to invest. Employing an architect will add to the up-front cost, but could be worth the investment in the long run. If you have friends in the neighborhood who already have accessory apartments, gather some design ideas from them. Avoid the expense of installing new sewer, electric or gas lines, or moving existing ones. Try to work around the existing structure. Other expensive items are additional heat, air conditioning and doors.

Since you're building for the future, consider making an accessory apartment adaptable. In other words, doorways and bathrooms should be wide enough to accommodate wheelchairs, and other design features should be incorporated that will make it easier and less expensive to adapt the apartment for use by an individual with physical limitations.

Zoning

Zoning in neighborhoods designed for single-family homes generally prohibits a second living unit such as an accessory apartment. Prohibitions arise from fear on the part of homeowners in the community that permitting apartments in a neighborhood of single-family homes will lead to congestion and, perhaps, reduction in property values. Among the arguments most often raised in opposition to accessory apartments are concerns that traffic and parking problems will increase; the appearance of the neighborhood will change; the tenants in the accessory apartments will not pay their fair share of taxes to support schools, roads, sanitation and other community services; and that accessory apartments will eventually lead to the overloading of sewer, water and other systems in the infrastructure of the community.

Urban and suburban areas generally have more restrictive zoning ordinances than rural areas. Urban areas generally treat the matter in one of two ways: prohibiting accessory apartments except with a special exemption variance or imposing special requirements to protect the neighborhood. To ensure building safety, most communities require building permits and inspections for any renovation, including the installation of accessory apartments.

In contrast to these fears, studies of the impact of accessory apartments have found that they have not been detrimental to communities and do not contribute to congestion. In fact, several communities which examined this issue were surprised to discover many accessory apartments that were already in place, and had gone unnoticed.[2]

[2] Hare, Patrick and Guttman, David. *Accessory Apartments: A New Housing Option for the Elderly Homeowner*. Center for Study of Preretirement and Aging, The Catholic University of America, February 1984.

There are four methods used to permit and regulate accessory apartments. Zoning ordinances, enacted by a local government, may allow accessory apartments in specified zones. Homeowners living in the specified zones can make a conversion at any time. Through a variance, a homeowner can be exempted from a particular zoning ordinance by a local government entity. Variances are generally granted to the parcel of land rather than the owner. Licensing an accessory apartment can provide the local government with a mechanism to exercise ongoing review and appraisal through periodic renewal requirements. Or, through special use permits, local governments can review each case individually by conducting a public hearing. A permit is generally granted to the applicant rather than the property.

Communities can use any of these four options and impose additional restrictions on the creation of accessory apartments, including:

- placing limits on the number of people who can occupy the apartment;
- requiring adequate, often off-street parking;
- placing limits on the number of apartments per home;
- requiring owner-occupancy in one of the units;
- allowing only older citizens to make conversions;
- restricting conversions to homes constructed before a certain date;
- prohibiting exterior modifications to the home;
- requiring or encouraging barrier-free design in any modifications.

Getting a Special Use Permit

In jurisdictions where a special use permit is required, there are generally formal procedures to be followed. Usually, your first step is to submit a request to the zoning board. Then, you may need to notify your neighbors of your request by posting a sign (supplied by the zoning board) in your yard. Finally, you'll be asked to appear at the zoning board hearing when your request is considered.

You may be questioned at the hearing about your plans. One thing you should make clear is the fact that your rental income will help you maintain your home and allow you to remain there and contribute to stabilizing the community. Your plans might also produce modest increases in property appraisals which generate modest amounts of additional tax revenues. You may also want to say a few words about the social and community value of making decent housing available at a modest cost.

If your request is granted, you'll probably be charged a fee for a permit under the special use permit or variance. These fees generally range between $50 and $300. If you live in a community where construction is considered a "matter of right," you'll need only a building permit. If building an accessory apartment falls under a "limited matter of right" clause in your jurisdiction, you'll need to obtain a special building permit and have the apartment inspected.

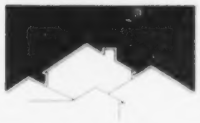
Finding a Contractor

You should exercise extreme caution in selecting a contractor. Home contractor fraud and complaints about quality of workmanship are common throughout the country. Ask friends to recommend contractors with whom they were satisfied. Always get at least three bids. Make a list of the work to be done before you talk to the contractors, so that each provides you with a bid for comparable work. Bids should be written and should indicate starting and completion dates for the job. Ask your local office of consumer protection and Better Business Bureau about complaints filed against the contractors you are considering. Check the contractors' references and find out if they're licensed and bonded and have liability insurance. Ask the references whether the contractors were punctual, if their cost forecasts were realistic and whether they were easy to work with. Find out if their assistants were capable craftsmen. Your municipality may be able to help you with your selection process through its zoning and building department. The department may be able to provide contractors who are familiar with accessory apartment codes and regulations.

The contractor you select should give you a compietion date. Make sure you hold him/her responsible for completing the project on schedule. On large projects (over $2,000), it's common practice to provide some money up front. If you arrange to make payments throughout the period of construction, follow a 30 percent, 30 percent, 40 percent schedule, with the last payment made upon completion of the project.

The contract should spell out exactly what you have agreed to have done and any specifications that you feel are warranted. It's prudent to include a penalty clause in the contract that reduces the total bill by a graduated proportion for work not done on time.

If you feel that the work done by the contractor does not demonstrate good workmanship, or if you are dissatisfied in any way with the work performed, contact your local Consumer Affairs Office. It should be able to help you file a complaint or determine the best recourse for solving the problem.



Renting Your Accessory Apartment

Renting an accessory apartment differs from room rental and home sharing in two significant ways. First, more money is involved, both in the installation of an accessory apartment and in the amount of rent it can command. (Some older homeowners move into their accessory apartments themselves and rent their primary dwellings for more sizeable sums.) Second, because the apartment is a completely separate unit, it is generally rented on a traditional landlord/tenant basis. This involves drawing up a formal lease or rental agreement which must comply with your local landlord/tenant laws and accessory apartment ordinances, which sometimes contain the restrictive clauses discussed on the preceding pages.

You can obtain a standard lease form from any real estate agent and a copy of your local accessory apartment ordinance from your local zoning office. You can make changes in the lease form to accommodate your special needs and concerns as long as you and your renter agree to the changes and they don't violate any laws. (See Appendix B for a sample lease.) You may want to seek assistance from an attorney if the changes you plan to make are complicated or extensive.

Long-term leases are usually not a good idea. A six-month or one-year lease preserves your option to change tenants, raise the rent, or amend the lease if you wish. If everything is satisfactory from your and your tenant's point of view, a short-term lease can be renewed as often as you want.

There are several ways to locate suitable tenants, including traditional advertising in newspapers, notices on bulletin boards and tenant referral services. Set the rent at a level that's in keeping with other rents in your area for a comparable unit. Talk to your prospective tenant before signing the lease to help determine that you're likely to be compatible.

Although your living quarters will remain separate, it's possible you'll establish a personal relationship with the tenant in your accessory apartment. You'll soon realize that having someone close by to help in emergencies, and with whom you can exchange services and chores does not necessitate a reduction in privacy.

Community Considerations

Both homeowners and their communities can benefit from accessory apartments because they:

- permit older homeowners to stay in their homes and provide a source of income to defray rising expenses for heat, taxes, and maintenance;
- create new, moderate-cost rental housing; and
- help preserve large, older homes.

Even though most of these objectives are compatible, specific ordinance provisions may vary with the purpose or combination of purposes for which they are adopted. Limiting the number of accessory apartments to one new unit per homeowner over 60 may be an acceptable compromise where the intent of the ordinance is to help older residents of a community.

Similarly, requirements for off-street parking may be a critical issue in a recently built neighborhood with wide lawns and large lots. They may be much less critical to a neighborhood near downtown, which was laid out before cars were common and is accustomed to on-street parking.

In summary, the same ordinance may not be appropriate for all residential districts within a community. For example, if a community wants to permit conversions in both old Victorian row houses and new detached suburban homes, it might be appropriate to have substantially different ordinances for the different districts in which the two types of housing are located.

During the course of your research into your community's ordinances, you may find a need to modify or amend an ordinance to make it more responsive to the needs of older persons. Should you wish to get involved in such a project in your area, there are several resources listed on page 19 that may be helpful.

The task of changing zoning to allow accessory apartments may be easy or difficult. Most communities want to maintain a certain amount of control through the hearing process, the issuance of special use permits and the renewal of permits. The model ordinance (Appendix A) is designed to strike a balance between overly restrictive or overly permissive approaches to the accessory apartment issues.

Appendix A

Model Accessory Apartment Ordinance for Single Family Conversions

I. Residential Districts

A. Uses permitted upon issuance of a special permit, as provided in Section II.

1. One accessory apartment unit, provided that:

a. the dwelling is owner occupied;

b. the dwelling shall have received a certificate of occupancy dated a minimum of five years before the date of enactment of this ordinance;

c. the accessory unit has a minimum floor area of 500 square feet, and a maximum of two bedrooms;

d. the accessory unit is largely self-contained, with separate cooking, sanitary, and sleeping facilities for the exclusive use of the occupant, and is clearly a subordinate part of the dwelling;

e. any exterior changes made on the building shall be made on the existing foundations; no accessory buildings shall be created;

f. the dwelling shall have only one front entrance; all other entrances shall be at the side or rear of the dwelling;

g. one paved off-street parking space shall be provided per unit in the dwelling;

h. the dwelling shall conform to all requirements of the applicable building, health, fire and sanitary codes;

i. the accessory unit shall not endanger the health, safety, or general welfare of the community.

Appendix A

Model Accessory Apartment Ordinance for Single Family Conversions, continued

II. Special Permit Procedure

A. Application for special permit for accessory apartment unit shall be made in accordance with procedures given in this ordinance to the appropriate board.

B. Application shall consist of:

1. a letter requesting a special permit listing the name of the owner of the dwelling and the address of the property to contain the accessory apartment unit;

2. a floor plan showing proposed changes to the dwelling;

3. a property survey;

4. a fee in the amount of $ _____ to cover the cost of legal notice and a code inspection;

5. an affadavit by the owner that all code requirements will be met within 60 days of the issuance of a permit;

C. Upon receipt of application, the board will conduct at least one public hearing for every application for a special permit for an accessory apartment unit. Legal notice of such a hearing shall be published in the local newspaper at least ten days prior to the public hearing.

D. Within 60 days of the approval of a special permit for an accessory apartment unit, the code officer shall inspect the unit to ensure that all codes are met. If all codes are not met, the special permit shall be revoked.

E. Upon transfer of title to the property, the code officer shall re-inspect the unit to ensure that all codes are met.

F. If any lawful inspection of the dwelling is refused by the owner, the special permit shall automatically be revoked.

G. When approving the application for a special permit for use of the accessory apartment unit, the zoning board shall consider the following:

1. the use will not restrict the use of adjacent properties;

2. the use will not adversely affect the character of the neighborhood, such as:

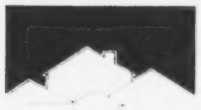
a. property values;

b. undue increase in traffic;

c. overcrowding of the property.

3. the use will not endanger the health, safety or general welfare of the community in any other way.

Source: Based on a model ordinance developed by Tri-State Regional Planning Commission, Housing and Community Development Division; One World Trade Center; New York, New York 10048. January 1981. Used with permission.



Appendix B

Sample Lease Agreement*

National Housing Law Project Standard Form Lease (California)

1. Parties

The parties to this agreement are _____

_____

_____

_____, hereinafter called "Landlord," and

_____

_____

_____

_____, hereinafter called "Tenant."

If Landlord is the agent of the owner of said property, the owner's name and address are

_____

_____

2. Property

Landlord hereby lets the following property to Tenant for the term of this Agreement:

(a) the property located at _____

_____

_____

and **(b)** the following furniture and appliances on said property:

_____

_____

3. Term

The term of this Agreement shall be for _____,

beginning on _____ and ending on _____.

*Reprinted with permission from National Housing Law Project, Berkeley, California.

Appendix B
Sample Lease Agreement, continued

4. Rent

The monthly rental for said property shall be $ _____,

due and payable on the first day of each month to Landlord at _____.

If rent is paid in cash, Tenant shall be given a written rent receipt.

5. Utilities

Utilities shall be paid by the party indicated on the following chart:

	Landlord	**Tenant**
Electricity	_____	_____
Gas	_____	_____
Water	_____	_____
Garbage	_____	_____
Trash Removal	_____	_____
Other	_____	_____

(Where the tenant is indicated as the responsible party, there shall be a separate utility meter for that unit.)

6. Use of Property

Tenant shall use the property only for residential purposes, except for incidental use in trade or business (such as telephone solicitation of sales orders or arts and crafts created for profit), so long as such incidental use does not violate local zoning laws or affect Landlord's ability to obtain fire or liability insurance.

7. Tenant's Duty to Maintain Premises

Tenant shall keep the dwelling unit in a clean and sanitary condition and shall otherwise comply with all state and local laws requiring tenants to maintain rented premises. If damage to the dwelling unit (other than normal wear and tear) is caused by acts or neglect of Tenant or others occupying the premises under his/her control, Tenant may repair such damage at his/her own expense. Upon Tenant's failure to make such repairs and after reasonable written notice by Landlord, Landlord may cause such repairs to be made and Tenant shall be liable to Landlord for any reasonable expense thereby incurred by Landlord.

8. Alterations

No substantial alteration, addition, or improvement shall be made by Tenant in or to the dwelling unit without the prior consent of Landlord in writing. Such consent shall not be unreasonably withheld, but may be conditioned upon Tenant's agreeing to restore the dwelling unit to its prior condition upon moving out.

9. Noise

Tenant agrees not to allow on the premises any excessive noise or other activity which disturbs the peace and quiet of other tenants in the building. Landlord agrees to prevent other tenants and other persons in the building or common areas from similarly disturbing Tenant's peace and quiet.

10. Inspection by Landlord

Landlord or his agent may enter the dwelling unit upon 48 hours' written notice and with Tenant's consent only for the following purposes: to make repairs and to exhibit the unit to prospective purchasers, mortgagees and tenants. Such entries shall not be so frequent as to seriously disturb Tenant's peaceful enjoyment of the premises. Such entries shall take place only with the consent of Tenant, which consent shall not be unreasonably withheld. If, however, Landlord or his agent reasonably believes that an emergency (such as a fire) exists which requires an immediate entry, such entry may be made without Tenant's consent. If such emergency entry occurs, Landlord shall, within two days thereafter, notify Tenant in writing of the date, time and purpose of such entry.

11. Security Deposit

(a) Tenant shall pay Landlord, upon execution of this agreement, a security deposit of $ _____, which in any case does not exceed one month's rent. Said deposit may be applied by Landlord toward reimbursement for any reasonable cost of repair or cleaning necessitated by Tenant's acts or omissions in violation of this Agreement (normal wear and tear excluded) and for rent which is due, unpaid and owing.

(b) Landlord shall place this security deposit in a bank savings account or savings-and-loan institution account bearing the prevailing rate of interest and shall credit such interest to the Tenant's security deposit. Within 14 days of the date of this Agreement, Landlord shall notify Tenant in writing of the location of such account and the account number.

(c) Within two weeks after Tenant vacates the premises, Landlord shall return to Tenant the security deposit, with accrued interest, less any deductions Landlord is entitled to make under section (a) of this paragraph. If any deductions are made, Landlord shall also give Tenant a written itemized statement of such deductions and explanations thereof.

Appendix B

Sample Lease Agreement, continued

(d) If Landlord fails to comply with sections (a), (b) or (c) of this paragraph, then Landlord waives the right to make deductions from the security deposit and will be responsible for returning the entire deposit to Tenant when Tenant vacates the premises.

12. Landlord's Obligation to Repair and Maintain Premises

(a) Landlord shall provide and maintain the building and grounds appurtenant to the dwelling unit in a decent, safe and sanitary condition, and shall comply with all state and local laws, regulations and ordinances concerning the condition of dwelling units which at a minimum must be maintained in decent, safe and sanitary condition.

(b) Landlord shall take reasonable measures to provide and maintain security on the premises and the building and grounds appurtenant thereto to protect Tenant and other occupants and guests on the premises from burglary, robbery and other crimes. Tenant agrees to use reasonable care in using such security measures.

(c) As repairs are now needed to comply with this paragraph, Landlord specifically agrees to complete the following repairs on or before the following dates:

Repair	**Date**

This list is not intended to be exhaustive, or construed as a waiver as to any other defective conditions which may exist.

(d) If Landlord fails to substantially comply with any duty imposed by this paragraph, Tenant's duty to pay rent shall abate until such failure is remedied. Upon Landlord's failure to make necessary repairs, Tenant may make or cause to be made said repairs and deduct the reasonable cost of said repairs from the next month's rent. This section (d) shall apply to defects within Tenant's dwelling unit only, and then only if Tenant has notified Landlord or his agent of such defects and has given Landlord a reasonable time to make repairs. The remedies provided by this section (d) shall not be exclusive of any other remedies provided by law to Tenant for Landlord's violation of this Agreement.

13. Subleasing

Tenant shall not assign this Agreement or sublet the dwelling unit without consent of Landlord. Such consent shall not be withheld without good reason relating to the prospective Tenant's ability to comply with the provisions of this Agreement. This paragraph shall not prevent Tenant from accommodating guests for reasonable periods.

14. Retaliation

If Tenant reasonably and peacefully exercises any right granted under this Lease Agreement or any state, local or federal law, or if Tenant joins or organizes a tenants' union, Landlord agrees not to retaliate against or harass Tenant in any way, specifically including but not limited to eviction or threat of eviction, rent increase or services decrease, refusal to renew a term tenancy, or substantial alteration of lease terms.

Landlord shall bear the burden of proving a good motive or good cause for any act which Tenant alleges to be retaliatory and which takes place within six (6) months of Tenant's exercise of a legal right pursuant to this Lease Agreement or state, local or federal law.

15. Destruction of Premises

If the premises become partially or totally destroyed during the term of this Agreement, either party may thereupon terminate this Agreement upon reasonable notice.

16. Tenant's Termination for Good Cause

Upon 30 days' written notice, for good cause, Tenant may terminate this Agreement and vacate the premises. Said notice shall state good cause for termination. Good cause shall include, but not be limited to, entry into active duty with U.S. military services, employment in another community and loss of the main source of income used to pay the rent.

Appendix B

Sample Lease Agreement, continued

17. Termination

Upon termination of this Agreement, Tenant shall vacate the premises, remove all personal property belonging to him/her and leave the premises as clean as he/she found them (normal wear and tear excepted).

18. Lawsuits

If either party commences a lawsuit against the other to enforce any provision of this Agreement, the successful party may be awarded reasonable attorney fees and court costs from the other. Landlord specifically waives any right to recover treble or other punitive damages.

19. Notices

All notices provided by this Agreement shall be in writing and shall be given to the other party as follows:

To the Tenant: at the premises.

To the Landlord: at _____.

Holdovers

If Tenant holds over upon termination of this Agreement and Landlord accepts Tenant's tender of the monthly rent provided by this Agreement, this Agreement shall continue to be binding on the parties as a month-to-month agreement.

Wherefore we, the undersigned, do hereby execute and agree to this Lease Agreement.

Landlord(s)	**Tenant(s)**
_____	_____
Signature	Signature
_____	_____
Signature	Signature
_____	_____
Date of Signature	Date of Signature

Resources

Hare, Patrick H., *Accessory Apartments: Using Surplus Space in Single-Family Houses*, Chicago, Illinois: American Planning Association, 1313 East 60th Street, Chicago, IL 60637, 1981. ($10.00).

Allowing Accessory Apartments: Key Issues for Local Officials, Washington, D.C.: Office of Policy Development and Research, U.S. Department of Housing and Urban Development, available for $2.50 from HUD User, Docket No. PDR-747, P.O. Box 280, Germantown, MD 20784, 1983.

Cram, Leo L., *Accessory Apartments*, Columbia, Missouri: 1985. University of Missouri Publication Distribution Center, 115 South Fifth Street, Columbia, MO 65211, single copies free.

Salmen, John, *The DoAble Renewable Home: Making Your Home Fit Your Needs*, Washington, D.C.: American Association of Retired Persons, 1986, single copies free.

Hare, Patrick H. and Ostler, Jolene N., *Creating an Accessory Apartment*, New York: McGraw-Hill Book Company, 1221 Avenue of the Americas, New York, NY 10020, 1987. ($16.95).

Note: These books may be available in your local library.

Notes

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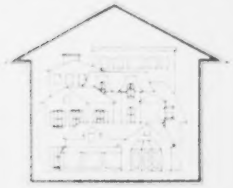

Consumer Affairs • Program Department

AARP

**American Association
of Retired Persons**
1909 K Street, N.W.
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